



Transportation Finance Issues

How does Wisconsin fund transportation?

Wisconsin's segregated, unified Transportation Fund is unique

- The state's Transportation Fund is considered a "segregated fund" because it puts transportation revenues into a separate account apart from other revenues the state collects that are deposited into the General Fund.
- This account is the source of funding for all transportation modes – highways, air, rail, transit, harbors, bicycle and pedestrian facilities. It also funds the Division of Motor Vehicles and the Wisconsin State Patrol.

Taxes and fees collected

Transportation system fees include:

- Highway fees such as state and federal gas taxes, vehicle registration fees, driver license fees and motor carrier fees
- Aviation taxes and fees such as aircraft registration fees, general aviation fuel taxes and the property tax on air carriers
- Railroad taxes such as the tax on rail property

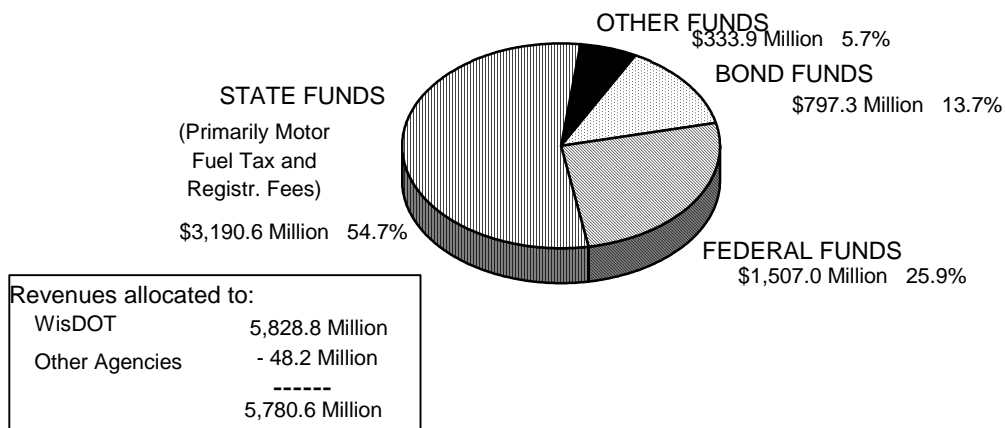
Most state revenue comes from the gas tax

- About 55% of all transportation revenue comes from state sources. About 93% of this is generated from the state gas tax (30.9 cents per gallon) and vehicle registration fees (a flat \$55 for automobiles).
- Wisconsin's reliance on the state gas tax and vehicle registration fees is one of the narrowest transportation revenue bases in the country.
- State lawmakers made the decision to rely on gas taxes and registration fees intentionally to ensure that users of the transportation system pay for it.

- Federal dollars are an important component of transportation funding in Wisconsin, providing more than 25% of the transportation revenue. These funds are raised primarily through the federal gas tax (18.4 cents per gallon).
- Other revenues are derived from bonding and the payments local governments make for individual transportation projects.

2005-07 TRANSPORTATION

REVENUE SOURCES
TOTAL BUDGET \$5.78 BILLION
FINAL (2005 Wisconsin Act 25)



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